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CHAIRWOMAN MIKULSKI FOCUSES ON WISE USE OF TAXPAYER DOLLARS, IMPACTS OF SEQUESTER AT DEPARTMENT OF JUSTICE FISCAL YEAR 2014 BUDGET REQUEST HEARING

WASHINGTON – U.S. Senator Barbara A. Mikulski (D-Md.), Chairwoman of the Commerce, Justice, Science Subcommittee, focused on the need for the Department of Justice (DOJ) to use taxpayer dollars wisely as the Department works to protect the safety of U.S. citizens at today's subcommittee hearing on the DOJ's fiscal year 2014 budget request. The Chairwoman also explored the impact of sequestration on DOJ's ability to strengthen our community safety, national security and counter-terrorism efforts. The following are Chairwoman Mikulski's opening remarks, as prepared for delivery:

"Today, the Commerce, Justice, Science Subcommittee (CJS) meets to examine the fiscal year 2014 budget request for the Department of Justice. We welcome two witnesses, Attorney General Eric Holder – testifying about DOJ's budget and priorities for fiscal year 2014 – and DOJ's Inspector General Michael Horowitz – testifying for the first time before us about the top oversight issues at the Department.

"We will discuss how the Justice Department's fiscal year 2014 budget request strengthens national security and counter-terrorism; protects the safety, security and rights of U.S. citizens; and how the Department ensures it uses taxpayer dollars wisely.

"The mission of the Justice Department is to enforce the laws and defend the interests of the United States; to ensure public safety against threats, both foreign and domestic; to provide Federal leadership in preventing and controlling crime; to seek just punishment for the guilty; and to ensure fair and impartial administration of justice for all Americans.

"I want to begin today's hearing by thanking all of the hardworking men and women of the Justice Department who carry out that mission. The Department is comprised of more than 115,000 employees, including over 26,000 Federal agents – FBI, ATF, DEA, U.S. Marshals – and those who support the agents. The Department also employs roughly 20,000 prison guards and correctional staff, and nearly 10,000 prosecutors, investigators, and legal experts.

"The Department of Justice has had some amazing accomplishments in the last year. The U.S. Marshals arrested over 12,400 fugitive sex offenders, the DEA put 3,000 drug trafficking organizations out of business, the FBI dismantled 409 criminal enterprises involved in white collar crimes, and U.S. Attorney's Offices collected \$13 billion in criminal and civil penalties. "These men and women are the guardians of our justice system, often overlooked and undervalued. I want them to know that the CJS Subcommittee knows and appreciates what they do every day.

"In Maryland, we have Department of Justice agencies working hard at their missions. Over the past year alone, \$1.3 billion in debts owed by convicted criminals was collected by the U.S. Attorney's Office for Maryland. These are fines owed by convicted defendants to cover restitution to crime victims and payment of criminal penalties. An Ocean City trafficker of counterfeit goods was arrested by a team of U.S. Attorneys, ICE, and local police. The trafficker sold merchandise with fake trademarks for brand names – including Nike, Coach, Chanel, and Jimmy Choo – worth hundreds of thousands of dollars. This arrest sends a clear message: If you cheat American consumers, innovators, and entrepreneurs, you will go to jail.

"A Prince George's County school bus driver was sentenced to 55 years in prison for producing child pornography. He used his cell phone to record his sexual abuse of children and kept notebooks with graphic details of over 400 children. The investigation was led by the FBI, the U.S. Attorney's Office, and the Prince George's Police Department, working together to put away a sick predator who was in a position of trust.

"We expect a lot of the Justice Department. We count on DOJ to keep 316 million Americans safe from terrorism and violent acts of crime; to dismantle drug cartels and organized crime enterprises; to combat gangs, gun smuggling, and human trafficking; and to catch child sexual predators and cyber criminals.

"But what should the Justice Department expect of us, the Congress? Rather than providing the resources to face varied and growing threats, Congress has subjected DOJ to shutdown and showdown politics, uncertain funding, and now sequestration. There is a huge gap of \$91 billion between fiscal year 2014 budget positions. The President and the Senate are at \$1.058 trillion, and the House is at \$967 billion. Due to sequester, DOJ is operating at \$1.7 billion below the fiscal year 2013 enacted level. Unless we end sequester, the Justice Department will face an additional \$2.3 billion in cuts during fiscal year 2014. This means every Justice employee will be furloughed in 2014, with some employees facing up to 22 furlough days.

"The Department of Justice should expect from Congress stable and consistent funding so special agents, intelligence analysts, deputy Marshals, and Federal prosecutors can keep Americans safe. The President's fiscal year 2014 budget request for DOJ totals \$27.6 billion, \$834 million above the fiscal year 2013 level. The request also cuts \$392 million from prior year funding for core Federal law enforcement functions and grants. The request reflects the stringent reality of our times.

"As Chairwoman of the CJS Subcommittee, I have three priorities for the Justice Department budget: keeping our communities safe, providing DOJ the resources needed to keep America safe from terrorism, and ensuring tax dollars are spent wisely. I want to make sure that the Department of Justice has what it needs to uphold the rule of law and protect this country from predatory attacks.

"The Department's fiscal year 2014 budget request has limited, yet targeted, increases, each reflecting a critical need in DOJ's mission. The request includes \$1.4 billion total for combating gun violence, \$379 million above fiscal year 2013 levels. This additional funding will keep our homes, schools and communities safe by giving ATF and FBI tools to better enforce gun laws, run criminal background checks on buyers, regulate the firearms industry, and go after illegal gun traffickers. It will help states improve the quality of their criminal records and their mental health records, allow schools to hire safety personnel to develop school safety plans, and purchase cameras, locks, and other safety equipment. It will help to train local police how to respond to active shooter incidents, giving police and bystanders a better chance of surviving.

"In the last month, DOJ has charged cyber criminals in a \$45 million ATM heist and a \$6 billion money laundering scheme that took place through Liberty Reserve. Cybercrime doesn't just happen inside of a computer. The impacts of an attack can be devastating off-line as well. There is a growing nexus between organized crime and nation states. Our nation is facing what former Defense Secretary Leon Panetta called a "digital Pearl Harbor." The Justice Department's request for Cybersecurity is \$668 million, \$93 million more than in fiscal year 2013 for FBI agents, computer scientists, and federal prosecutors to track down these criminals.

"I am laser focused on cybersecurity and plan to hold a Full Committee hearing on government-wide Cybersecurity on June 12, 2013. I want to make sure DOJ and other agencies can protect dot-gov, respond to attacks, catch and prosecute the criminals behind the keyboards, and help dot-com protect itself.

"Our economy depends on the integrity of our financial markets. Our neighborhoods and communities have been rattled by mortgage fraud schemes and scams. The Justice Department request is \$593 million total to fight financial fraud, a \$55 million increase targeted to hire new FBI agents, new Federal prosecutors, new forensic accounts and inhouse investigators to go after schemers and scammers who prey on hardworking families and destabilize neighborhoods.

"But there are parts of the Justice Department's fiscal year 2014 request that cause us heartburn. As the Federal inmate population continues to grow, so do the costs of the Bureau of Prisons to safely operate and protect our Federal prisons. BOP's request is \$6.9 billion, and must cover food, healthcare and utilities for growing inmate populations. An additional 3,200 new inmates are expected by the end of 2014, for a total of 224,000 Federal inmates. At these levels, prison guards face an increased risk of attacks by inmates. These obligatory costs are literally eating the Justice Department's lunch, making up 25 percent of DOJ's budget, and

increasing year after year. We need to hear how Justice will tackle the inmate population problem to keep guards and communities safe.

"After 9/11, the Justice Department took on a new national security mission to disrupt terrorist plots before they happen by identifying, tracking, and defeating terrorist cells, and dismantling weapons of mass destruction on U.S. soil. Today, national security makes up over 16 percent of DOJ's budget. The request is \$4.4 billion for our Federal law enforcement agencies, and this level maintains core national security functions that mostly cover current salaries and operations. Nearly 17,000 employees are working on national security, including the FBI, ATF, DEA, U.S. Marshals, National Security Division, and U.S. Attorneys. But we just sustained the first terrorist attack on U.S. soil since 9/11 with the Boston Marathon bombings. I want to know if the funds requested are sufficient to tackle all the national security responsibilities and keep Federal law enforcement ahead of the bad guys.

"We can't have strong, vibrant communities unless they are safe. So I want to know how the budget request keeps Americans safe here at home. The request is \$2.3 billion for grants to State and local law enforcement, an increase of \$184 million above fiscal year 2013 to support investments in efforts that put cops on the beat, provide women with support to leave violent abusers, put away child abusers and molesters, break up child pornography and prostitution rings, help victims of sex and labor trafficking, and process rape kits for use as evidence in trials. But State and local funding has borne the brunt of budget cuts. Since 2010, grants have been cut by \$1.3 billion, or 38 percent. Sequester cuts another \$138 million. The CJS Subcommittee is committed to making sure our police are not walking a thin blue line and we are in fact providing the tools to protect them while they protect us.

"Supporting the Justice Department during frugal times means DOJ needs oversight and accountability. I want to know how the Justice Department is a steward of taxpayer dollars so we get value for every dollar spent to secure our communities. The Subcommittee has taken steps to prevent waste, fraud and abuse, prohibit funds for lavish banquets, control cost overruns, and require the Inspector General to do random audits of grantees. DOJ's Inspector General has also identified safeguarding national security and restoring confidence in the Justice Department as top challenges for the Department. I want to know what concrete steps you have taken to act on the Subcommittee's and IG's guidelines to give them teeth and make sure they are followed. We appreciate Inspector General Horowitz's testimony on how DOJ has implemented those recommendations.

"Given all of the Justice Department's important roles and responsibilities, we must ensure that it has the resources it needs to protect the lives of 316 million Americans. But we also want to make sure the Justice Department is a good steward of taxpayer dollars, so every dollar we spend to keep our nation safe is a dollar well spent.

"Thank you, Attorney General Holder and Inspector General Horowitz, for being here today. I look forward to continuing our work together to make a safer, stronger America."